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March 1, 2016

Diana Dooley, Chair, Board of Directors
Peter Lee, Executive Director
Covered California
1601 Exposition Boulevard
Sacramento, CA 95815
Via-email to: boardcomments@covered.ca.gov

RE: Support for a 1332 Waiver on Immigrant Inclusivity

Dear Ms. Dooley and Mr. Lee,

On behalf of the statewide health care consumer advocacy coalition, Health Access California writes to support California's submission of a 1332 waiver this year to allow all Californians, regardless of immigration status, to buy plans through Covered California—and to begin development and modeling of other proposals for streamlining enrollment and improving affordability for Covered California members.

Phase One on Immigrant Inclusivity: Under current law, undocumented immigrants can purchase individual coverage, using their own dollars—and some do. But today, undocumented adults are excluded from Covered California—they must go to a broker or health plan to purchase coverage in the outside market.

Health Access proposes that Covered California sell undocumented immigrants non-QHP health plans that "mirror" exchange plans. The proposal would not include exchange subsidies—that's another fight for another day, recognizing the financing, and other issues involved with offering subsidies. This proposal has been in the California Legislature for over a year. As part of SB 4(Lara), it received bipartisan support from California Legislature, including unanimous Democratic support and also Republican votes. This idea has emerged as the consensus position of Democratic presidential candidates, and is currently pending in the HEAL Act in Congress. We have been in communication with consumer advocates in other states that are also looking at this idea.

Beyond an important symbolic victory for inclusion, this proposal helps solves two real problems:

- It provides a positive message for those eligible but unenrolled who are concerned of immigration enforcement (which shows up as real concern in focus groups and surveys as well as data on the remaining uninsured).
- It would allow mixed-immigration status families to apply together, just with different subsidy levels.

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The proposal also abides by President Obama's commitment not to use federal money for undocumented coverage. Now that even the administrative costs of exchanges are no longer federally subsidized, this proposal would meet the spirit of the President's commitment. Without subsidies, this is not a debate about the use of governmental resources, but goes to core issue of inclusion vs. exclusion.

California's history and policy has been one of immigrant inclusivity, such as covering "deferred action" immigrants in full-scope Medi-Cal, including those Permanently Residing Under the Color of Law (PRUCOL) and the "DREAM Act" children under DACA, and potentially those under President Obama's most recent executive order DAPA. Several counties have long provided safety-net health services to the undocumented, through programs like Healthy San Francisco and My Health LA—and in the past year additional counties like Sacramento, Contra Costa, Monterey, and the rural counties of CMSP all extended health benefits to undocumented and uninsured Californians. Medi-Cal also is taking additional steps this year with the coverage of all children under 266% of poverty level regardless of immigration status. We hope that Covered California aligns with other programs and allows all Californians, regardless of immigration status, to be able to sign up for coverage. We urge that this be done this year.

Phase Two Affordability and Alignment: We propose that work continue on possible further Section 1332 waiver options to improve affordability through savings generated from delivery system reform and to better align coverage between Medi-Cal and Covered California for specific populations, including pregnant women, newly qualified immigrants (under the five year bar), and mixed families with kids on Medi-Cal and parents in Covered California, as well as those whose coverage shifts back and forth between Medi-Cal and Covered California. More policy work and thinking, as well as scoring, is needed to develop these concepts in a way that is workable for California and Californians. We would propose that this be the second phase of work on Section 1332 waiver possibilities that could be submitted as soon as 2017.

We appreciate Covered California's ongoing work to implement and improve the Affordable Care Act, and for seriously reviewing the options and opportunities for future steps under a Section 1332 waiver. We look forward to working with you on these efforts, and thank you for your consideration.

Sincerely,

Anthony Wright
Executive Director